

ATT12_IG1_DAC_1of2

Disadvantaged Community Assistance

Two projects contained in this proposal address critical water supply and water quality needs of disadvantaged communities (DACs) within the Greater Monterey County Region. These disadvantaged communities are the community of Castroville in the northern portion of the region and San Jerardo San Jerardo Co-operative, a farm-worker community in the Salinas Valley. This section provides the required documentation regarding DACs for these two projects.

1. Castroville CSD Well 2B Treatment Project

Implementing Agency: Castroville Community Services District

A. Documentation of the Presence and Needs of Disadvantaged Communities

This project serves the safe drinking water supply needs of Castroville, a disadvantaged community in the Salinas Valley. Castroville is an unincorporated community in rural Monterey County, about 6.5 miles northwest of Salinas. U.S. Census records reflect Castroville Township as early as 1870. The community is a mixture of residential, small commercial and light industrial uses, focused on supporting regional agriculture and the construction industry.

A DAC is defined by the Department of Water Resources (DWR) as “a community with an annual median household income that is less than 80 percent of the Statewide annual median household income (PRC 75005 (g)).”¹

Castroville is a Census-Designated Place (CDP), so U.S. Census data was used to determine DAC status. The U.S. Census Bureau’s 2005-09 American Community Survey 5-year estimates provide Median Household Income (MHI) data for the state of California at \$60,392.² For the same data set and time period, Castroville CDP’s MHI was found to be \$47,515.³ Castroville is at 78.7% of the state’s MHI and therefore, qualifies as a DAC.

The need for the project has been discussed in the 2006 Salinas Valley IRWM Functionally Equivalent Plan (FEP) and in the Water Supply Cost and Benefits Attachment. Water supply for the community of Castroville comes exclusively from the 180/400-foot aquifer, which is a portion of the Salinas Valley Groundwater Basin. This aquifer is experiencing seawater intrusion due to over-pumping along the coast, and Castroville is beginning to see increased levels of chlorides and total dissolved solids (TDS) at their municipal wells. The community drilled a new well into the 900-foot aquifer, a deeper stratum of the Salinas Valley Groundwater Basin which is not experiencing seawater intrusion. When this well was tested, it was discovered that the water contained arsenic at concentrations above the safe drinking water

¹ Guidelines, Proposition 84 and Proposition 1E, Integrated Regional Water Management, August 2010, pg 31, available at: <http://www.water.ca.gov/irwm/guidelines.cfm>

² U.S. Census Bureau, 2005-09 American Community Survey 5-year estimates, available at: http://factfinder.census.gov/servlet/ACSSAFFacts?_event=Search&geo_id=&_geoContext=&_street=&_county=&_cityTown=&_state=04000US06&_zip=&_lang=en&_sse=on&pctxt=fph&pgsl=010

³ U.S. Census Bureau, 2005-09 American Community Survey 5-year estimates, available at: http://factfinder.census.gov/servlet/ACSSAFFacts?_event=Search&geo_id=01000US&_geoContext=01000US|04000US06|16000US0611978&_street=&_county=castroville&_cityTown=castroville&_state=04000US06&_zip=&_lang=en&_sse=on&ActiveGeoDiv=geoSelect&_useEV=&pctxt=fph&pgsl=010&_submenuId=factsheet_1&ds_name=ACS_2009_5YR_SAFF&_ci_nbr=null&qtr_name=null®=null%3Anull&_keyword=&_industry=

standard of 0.010 mg/L. This project is to construct a wellhead treatment system that will remove the arsenic and allow the District to add this new source of water supply to the distribution system. The commensurate reduction in well pumping from the shallower aquifer will help to reduce the rate of seawater intrusion.

B. Description of Proposed Project and Targeted Benefits to DACs

This project improves the drinking water system for the disadvantaged community of Castroville by adding a new water supply source that meets the state and federal safe drinking water requirements. The Castroville community services district has already constructed the water supply well, but has deferred constructing the wellhead treatment system and placing the well into production due to the impact the capital construction would have on the community water rates. Grant funding will reduce the impact to water rates and allow the Castroville CSD to diversify their water supply sources and reduce well pumping from the 180/400-foot aquifer.

C. Documentation of DAC Representation and Participation

Castroville CSD has participated in the Salinas Valley Integrated Regional Water Management Planning process since 2006, when it joined with Monterey County Water Resources Agency and the Marina Coast Water District in publishing the Salinas Valley IRWM Functionally Equivalent Plan (FEP). The community was not a designated DAC at that time, and the proposed Well Relocation and Replacement Project was not included in the 2006 Proposition 50 Implementation Grant Application because other needs in the region were more pressing at the time. This project was included in the FEP as a future project.

Since 2008, the DAC community of Castroville has participated in the Greater Monterey County IRWM process. The District is represented on the governance structure, known as the Regional Water Management Group for the Greater Monterey County Region, through the CSD's General Manager, Eric Tynan.

2. San Jerardo Wastewater Project: Water Quality Concerns in a Disadvantaged Farm-Worker Community in the Salinas Valley

Implementing Agency: San Jerardo Cooperative, Inc.

A. Documentation of the Presence and Needs of Disadvantaged Communities

This project serves the critical water quality needs of a disadvantaged community called the San Jerardo Co-operative in the Salinas Valley. San Jerardo is a rural housing complex for low-income farm-worker families on a 33-acre site in rural Monterey County, about 7.5 miles Southeast of Salinas. The Co-operative is the first such development in the State of California, and includes 60 member-owned units, four rentals, a community room, a child-care center and soccer fields. Many of the current residing members contributed to the original construction of the facility in the 1970s and many of the homes belong to multi-generational families.

As noted above, a DAC is defined by DWR as “a community with an annual median household income that is less than 80 percent of the Statewide annual median household income (PRC 75005 (g)).”⁴ To find

⁴ Guidelines, Proposition 84 and Proposition 1E, Integrated Regional Water Management, August 2010, pg 31, available at: <http://www.water.ca.gov/irwm/guidelines.cfm>

the MHI of the State of California, we used the U.S. Census Bureau's 2006-08 American Community Survey 3-year estimates, available on their website. The MHI of California from 2006-08 was found to be \$61,154.⁵

Since San Jerardo is not a Census-Designated Place (CDP), the Census does not provide income data for this specific community. Hence, we are providing income survey data for the community instead. Since the Co-operative continues to be under the purview of the United States Department of Agriculture (USDA), they are required to collect and report income data of all 60 members to the USDA every month. To remain consistent with the time-period of 2006-08 from where the State of California's MHI has been taken, we are providing income survey data for the community for March 2007. The MHI of San Jerardo through its income survey in March 2007 was found to be \$32,820.50. San Jerardo's MHI is at 53.7% of the state's MHI, qualifying it as a DAC.

The attachment, ATT12_IG1_DAC_2of2, shows San Jerardo's detailed income survey dated March 2007, reported to the USDA in May 2007, and a Microsoft Excel-based analysis of the incomes used to calculate the community's MHI.

In addition, it should also be noted that the MHI provided by the income survey is not fully reflective of the incomes within the Co-operative. Since MHI is determined on a household basis, it masks the fact that households at the Co-operative are multi-generational, which means there are multiple families and multiple income-earners at each resident, rather than the one or two income earners typically associated with MHI comparisons. This situation has been exacerbated in recent years, due to the economic downturn, which has forced several younger family members to return home to the Co-operative, thereby increasing the MHI. Hence, a better reflection of incomes within the Co-operative is the per capita income. For March 2007, the collective income of all 60 San Jerardo members is \$2,214,544, and there are a total of 237 residents as evidenced from the income survey, hence the per capita income is a paltry \$9,344.07.

Not only is the San Jerardo Co-op a DAC, but it is also an environmental justice (EJ) community. The US Environment Protection Agency (USEPA) describes Environmental Justice as:

“...the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. EPA has this goal for all communities and persons across this Nation. It will be achieved when everyone enjoys the same degree of protection from environmental and health hazards and equal access to the decision-making process to have a healthy environment in which to live, learn, and work.”⁶

The San Jerardo property used to be an army camp in the 1940s, which may have contributed significantly to its toxic legacy. Then, in the 1950s and 1960s, it was used as a Bracero camp, where temporary contract laborers from Mexico were brought to the U.S. to work primarily in agriculture. In the mid-1970s, San Jerardo was set up as a cooperative housing project for farm-worker families. Anecdotal evidence from the community shows that legendary labor leader, Cesar Chavez, sent homeless farm-

⁵ U.S. Census Bureau, 2006-08 American Community Survey 3-year estimates, available at:

http://factfinder.census.gov/servlet/ADPTable?_bm=y&-context=adp&-qr_name=ACS_2008_3YR_G00_DP3YR3&-ds_name=ACS_2008_3YR_G00_-&-tree_id=3308&-redoLog=true&-caller=geoselect&-geo_id=04000US06&-format=&-lang=en

⁶ Environmental Justice, US Environment Protection Agency, available at:

<http://www.epa.gov/environmentaljustice/>

worker families to live at San Jerardo Co-op when it began. As farm-workers, the residents of the Co-op are 100% Latino/ Hispanic and have always lived in poverty, with little to no access to resources. Even today, since the Co-op lies in unincorporated Monterey County, it is faced with the revenue and governance disadvantages of being unincorporated, and it must rely on an over-stretched Monterey County for services. This inequitable access to resources on the basis of race or class is an environment justice concern.

B. Description of Proposed Project and Targeted Benefits to DACs

This project will directly assist the disadvantaged community of San Jerardo to improve water quality by upgrading their wastewater system. The San Jerardo Wastewater Project will provide targeted benefits to this DAC. It is needed to address the lack of adequate wastewater services in the DAC, which a critical human health issue.

For many years, the residents at the Co-op have struggled significantly with their water and wastewater issues. In 1997, the EPA filed a lawsuit against Alco Water Corporation, the owners of San Jerardo's drinking water system for violations of the federal Safe Drinking Water Act, including falsifying water quality reports and failing to comply with treatment requirements. San Jerardo's water system languished in court-appointed receivership for years while residents continued to be supplied with highly contaminated drinking water. Residents experienced health impacts from water contamination including rashes, sores, and hair loss. Eventually, Monterey County, working with San Jerardo residents and the Department of Public Health (DPH), were able to access enough resources to construct a new well and distribution system. This new well system was inaugurated by the Monterey County Supervisors on December 17, 2010. Unfortunately, while residents have received clean drinking water, they now face an additional hardship: the high operating cost of the new well system will raise water rates to an exorbitant \$113 per month. This is a very significant financial burden for residents.

San Jerardo has already spent considerable time and resources over the last few years trying to resolve their drinking water contamination issues, and now they have very few resources to address their desperately needed wastewater upgrades. The Co-operative requests funds from Proposition 84 IRWM Grant Program for the San Jerardo Wastewater Project to address urgent water quality concerns in this disadvantaged community.

The proposed project will provide critical public health benefits to the San Jerardo community by both ensuring adequate wastewater treatment systems and by reducing nitrate and 1,2,3-trichloropropane discharge into the underlying aquifer system. The upgrade of the wastewater system will help prevent the cycle of contamination and re-contamination between the wastewater ponds and the underlying aquifer. This is expected to provide water quality benefits, which will extend to the surrounding area, including nearby residential uses. It also includes a potential reduction in the amount of treatment needed for the community's new drinking water supply from the nearby well.

Water supply benefits include the provision of an alternate source of water for grounds upkeep and year-round soccer field irrigation through the re-use or recycling of treated wastewater, thus reducing water supply demand. It will provide additional air quality benefits as expansion of the system's capacity will reduce noxious odors from the overtaxed ponds. Future economic benefits are expected to result from the planning component of the grant, which include the substitute of recycled water for water from the new well site for secondary uses, reducing operating costs to pump, store and maintain the water system. In addition, the project will have energy savings by using solar-powered aerators and other solar technology where feasible. Implemented water conservation efforts also potentially have large energy-saving implications.

The project will primarily benefit the residents of San Jerardo and local residents that rely on the East Side aquifer for drinking water. However, as reduction of groundwater contamination is an overall regional goal, the project will benefit all Salinas Valley residents.

The project is also required as per the Central Coast Regional Water Quality Control Board (Regional Board), which has informed the Co-operative that their wastewater system is out of compliance with Waste Discharge Requirements (WDR) Order No. R3-2003-0054 due to a lack of pond linings, adequate aeration systems, and sufficient monitoring wells. Thus far, the Regional Board has not levied any fines out of sensitivity to the Co-operative's DAC status, their lack of resources, and the many drinking water difficulties the community has faced over the past several years. However, the Regional Board has indicated in personal communications that if San Jerardo is unable to bring their system into compliance soon, they will be forced to issue a notice of violation. Hence, it is critical that the Co-op upgrade their system before they face additional penalties.

Until now, the Co-operative has been unable to proceed with its wastewater system repairs due to funding constraints. The Co-operative cannot afford this project by itself. It has explored various funding sources such as the State Revolving Fund, Community Development Block Grant (CDBG), USDA Rural Utility Service Programs, and, more recently, the Cleanup and Abatement (CAA) funds through the State Water Resource Control Board, for the wastewater treatment upgrades. Unfortunately, many funding programs are inaccessible because of the legal structure of the Co-operative (they are a mutual benefit corporation). Others require debt service payments, which are not within the means of the community because it is a DAC and the residents are unable to afford rate increases at current income levels. The Co-operative currently has an application into the Cleanup and Abatement Fund to address the wastewater upgrades, but it is stagnant since the State Board will not provide the funds to the Co-op. We have requested various local entities and agencies for fiscal sponsorship to receive the funds, but since the Co-op is nobody's responsibility, this process has been stagnant for over a year.

C. Documentation of DAC Representation and Participation

This project not only includes DAC representation and participation, but rather it entirely serves the critical water quality needs of a DAC. The primary Implementing Agency for the project is the San Jerardo Co-operative.

The project builds upon several years of collaborative water management and problem-solving in the community. Over the years, the community has actively organized to advocate for their right to clean, safe and affordable drinking water and wastewater services. The *Monterey County Herald*, among other news sources, has reported the community's heroic struggles for years, supported by various organizations.⁷ Multiple agencies and non-profit organizations, ranging from the Rural Community Assistance Corporation (RCAC) to the California Rural Legal Association (CRLA), to agencies such as the EPA, the Central Coast Regional Board, Department of Environmental Health and County Department of Public Works have worked hard to create long-term solutions to San Jerardo's various barriers to safe drinking water and wastewater. The current project is a collaborative effort between the Environmental Justice Coalition for Water (EJCW), the Co-operative, RCAC, Nilsen and Associates, and Engineers Without Borders.

⁷ Danger in the Water: San Jerardo Residents Contend with Contaminated Wells, Monterey County Herald, July 10, 2006, available at:

http://www.redorbit.com/news/science/352235/danger_in_the_water_san_jerardo_residents_contend_with_contaminated/

Since early 2009, the San Jerardo Co-operative has been participating in the Greater Monterey County IRWM process. The Co-operative is represented on the governance structure, the Regional Water Management Group, through its Manager and life-long resident, Horacio Amezcuita. EJCW is a support organization that is also an active member on the RWMG through its program staff, Dipti Bhatnagar (previously through Amy Vanderwarker).

The Greater Monterey County IRWMP's RWMG has consistently encouraged the participation of the San Jerardo Co-operative and EJCW to represent DAC needs within the Plan and the region. The RWMG has remained responsive to the special needs of a DAC such as San Jerardo, and has offered assistance and support in completing this project application.

San Jerardo and EJCW have also played a major role in the group's Planning Grant application to DWR in September 2010, and the organizations hope to receive funds to conduct outreach to even more DACs in the area to involve them in the IRWMP process and provide funding for their critical water needs.